

it is in the best interests of the command. The grounds for taking this action will include, but will not be limited to, the following:

(a) Failure of company to meet the licensing and other regulatory requirements prescribed in § 552.56.

(b) An agent or representative engaged in any of the solicitation practices prohibited by this regulation.

(c) Substantiated adverse complaints or reports about the quality of the goods, services, or commodities and the manner in which they are offered for sale.

(d) Personal misconduct by agents or representatives while on the military installation.

(e) The possession of or any attempt to obtain allotment forms, or to assist or coordinate the administrative processing of such forms.

(f) Knowing and willful violation of the Truth-in-Lending Act or Federal Regulation Z.

(g) Failure to incorporate and abide by the Standards of Fairness policies. (See § 552.83.)

#### **§ 552.75 Factors in suspending solicitation privileges.**

In suspending privileges for cause, the installation commander will determine whether to limit suspension to the agent alone or to extent it to the company he represents. This decision will be based on the circumstances of the particular case. Included are—

(a) The nature of the violations and their frequencies;

(b) The extent to which other agents of the company have engaged in these practices;

(c) Previous warnings or suspensions; and

(d) Other matters that show the company's guilt or failure to take reasonable corrective or remedial action.

#### **§ 552.76 Preliminary investigation.**

When unauthorized solicitation practices have apparently occurred, an investigating officer will be appointed (Army Regulation 15-6). The investigating officer will gather sworn statements from all interested parties who have any knowledge of the alleged violations.

#### **§ 552.77 Suspension approval.**

The installation commander will personally approve all cases in which solicitation privileges have been denied or suspended for cause. This includes agents, companies, or other commercial enterprises. Authority to temporarily suspend solicitation privileges for 30 days or less while an investigation is conducted may be delegated by the commander to the installation solicitation officer or other designee. Exception to this time frame must be approved by The Adjutant General (DAAG-PSI) or by the overseas commander. The commander will make the final determination.

#### **§ 552.78 "Show cause" hearing.**

Before suspending the solicitation privilege, the company and the agent will have a chance to show cause why the action should not be taken. "Show cause" is an opportunity for the company, the agent, or both to present facts informally on their behalf. The company and agent will be notified, by letter, far in advance of the pending hearing. If unable to notify the agent directly or indirectly of the hearing, then the hearing may proceed.

#### **§ 552.79 Suspension action.**

(a) When suspended for cause, immediately notify the company and the agent, in writing, of the reason. When the installation commander determines that suspension should be extended throughout the Department of the Army (whether for the agent or his company), send the case to HQDA (DAAGPSI) WASH DC 20314. Provide all factors on which the commander based his decision concerning the agent or company (exempt report, para 7-20, Army Regulation 335-15). This notification should include—

(1) Copies of the "show cause" hearing record or summary,

(2) The installation regulations or extract,

(3) The investigation report with sworn statements by all personnel affected by or having knowledge of the violations,

(4) The statement signed by the agent as required in § 552.60(c).